



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION

**DEPARTMENT OF
TELECOMMUNICATIONS & ENERGY**

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March 24, 2003

SENT BY E-Mail, and
First Class U.S. Mail

Andrew O. Kaplan
Keegan, Werlin, and Pabian, LLP
21 Custom House Street
Boston, MA 02110

Re: New England Gas Company, D.T.E. 03-30

Dear Mr. Kaplan:

Enclosed are information requests by the Department of Telecommunications and Energy to New England Gas Company regarding the above-captioned matter. Please submit the Company's responses to the Department by 5:00 p.m., April 7, 2002.

Should you have any questions please contact me at (617) 305-3762. Thank you for your prompt attention to this matter.

Sincerely,

Jody Stiefel
Hearing Officer

Enc.
cc: Mary Cottrell, Secretary

FIRST SET OF INFORMATION REQUESTS OF
THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO
NEW ENGLAND GAS COMPANY

Pursuant to 220 C.M.R. 1.06(6)(c), the Department of Telecommunications and Energy ("Department") hereby submits to New England Gas Company ("New England" or "Company") the following information request(s).

INSTRUCTIONS

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Company in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.
2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term "provide complete and detailed documentation" means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting work-papers.
5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.

7. Please serve a copy of the responses on Mary Cottrell, Secretary of the Department, and four copies to Jody M. Stiefel, Hearing Officer.

- DTE 1-1 Please refer to Section IV.4.0 of the Company's proposed Interruptible Transportation ("IT") contract. Discuss why the Company does not set a firm notice period. In the response please indicate by providing examples how the Company may be harmed by setting a firm notice period.
- DTE 1-2 Please refer to Section V.5.2 of the proposed IT agreement. Indicate:
- (a) why the Company offers two seemingly different rates;
 - (b) what the customer charge is intended to recover;
 - (c) how the customer charge was developed;
 - (d) provide the volume at which an IT customer becomes indifferent whether it selects rate plan A or B;
 - (e) provide the names of any other MA LDCs that offer a similar IT pricing scheme; and
 - (f) provide the names of any regional LDCs that offer a similar IT pricing scheme. In this response indicate whether the LDC is an affiliate or not.
- DTE 1-3 Please refer to Section VI.6.1 of the proposed IT agreement. Provide all the calculations, backup materials, and rationale for imposing an "unauthorized usage charge" of \$15 per Mcf.
- DTE 1-4 Please refer to Section VI.6.1 of the proposed IT agreement. Indicate how the Company intends to handle any revenues generated from the proposed fee. Does the Company intend to retain those revenues? Does the Company intend to share any margins? If so, what formula does the Company propose to apply for margin sharing purposes?
- DTE 1-5 Please refer to Section VII.7.0. of the proposed IT agreement. Elaborate on the type of surcharges, penalties or other charges that would be charged to interruptible customers.
- DTE 1-6 Please refer to Section VII.7.0. of the proposed IT agreement. Indicate and discuss the types of charges that the Company anticipates would result from the provision of Transportation Service which will be charged to IT customers. Does the Company intend to assess any such charges to its IT customers without prior Department approval?
- DTE 1-7 Please refer to Section VII.7.1 of the proposed IT agreement. Discuss why the Company expects that IT customers will have to petition the Department instead of the more common approach of the Company which is seeking approval of its revised charges.

- DTE 1-8 Please refer to Sections XII.12.0, and XIII.13.0 of the proposed IT agreement. Explain why the Company seeks to apply Force Majeure, and Liability and Indemnification language that differs from the Company's existing Terms and Conditions for firm service.
- DTE-1-9 Please provide a copy of the Company's marginal cost study approved by the Department in Fall River Gas Company, D.P.U. 96-60 (1996).
- DTE-1-10 On page one of the Company's filing, the Company stated that changes and updates were made "to reflect escalated inflation costs since the 1995 test year." For each schedule shown in Attachment 2 of the Company's filing, please describe these changes in detail.
- DTE-1-11 Please provide a red-lined/strike-out version of the proposed standardized IT Agreement compared to the Company's exiting standard form IT contract.
- DTE-1-12 For each year from 1995 through 2002, please provide for each interruptible customer its monthly billing units, annual revenue, and the amount of the annual revenue flowed to firm ratepayers.
- DTE-1-13 In reference to Section 2.0 of the proposed standardized IT agreement, please explain the reasons why the term of the agreement is set at 364 days.